

Referrals
7/9/19

**PLANNING AND
ECONOMIC
DEVELOPMENT
STANDING
COMMITTEE**

City of Detroit

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Chairperson

Vice Chair/Secretary

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July 1, 2019

HONORABLE DETROIT CITY COUNCIL

RE: Establishing Priorities and Threshold Criteria for the 2020-21 Community Development Block Grant/Neighborhood Opportunity Fund Program

On July 23, 2019 Your Honorable Body is scheduled to receive an update and presentation from the Housing and Revitalization Department regarding their proposed timeline for the 2020-2021 CDBG/NOF process. The first two proposal writing workshops (there may be more) have been tentatively scheduled for a Wednesday and Saturday in August ahead of the RFP being released on August 30th. Similarly to the last two years a best practices forum was held on Monday, June 10, 2019. This forum was advertised via the public access channels as well as email distribution networks through your respective offices.

For several years the Detroit City Council has held Committee of the Whole strategy sessions on Community Development Block Grant (CDBG), where it has been recommended that the City Council adopt funding priorities for the pending Community Development Block Grant/Neighborhood Opportunity Fund (CDBG/NOF) funding cycles in anticipation of a 7.5% to 10% reduction in funding. However, in 2019-2020 as with 2018-2019 an overall increase in funding was realized, supplemented by additional funds through a Section 108 loan defeasance payment. Since the CDBG/NOF process of 2015-16 the City Council and the Administration have elected to adopt the same set of priorities as you have done for the past four funding cycles.

As in years past, it has been recommended that Council take the necessary actions to formally adopt the joint threshold criteria that City Planning Commission staff and the Housing and Revitalization staff are required to use in reviewing the CDBG/NOF proposals for the applicable fiscal year.

Priorities

As it relates to Council's past priorities the actual funding amounts from the 2019-20 NOF/CDBG review are listed below:

• Home Repair	\$5,561,791
• Homeless/Public Service	\$2,475,417
• Economic Development	\$1,000,000
• Public Facility Rehabilitation	\$400,000
• Summer Jobs Program/ SESC Training Program (NRSA)	\$2,980,874
• Public Service	
▪ Education	\$1,175,649

2019-2020 CDBG/NOF
Threshold Criteria

▪ Seniors	\$419,042
▪ Recreation	\$362,535
▪ Health	\$362,535
▪ <u>Public Safety</u>	<u>\$123,014</u>
P.S. Total	\$2,442,775

If council is desirous of funding a public service activity which historically have not been considered, please indicate what that activity is on the attached survey. Given the time frame available, and the impact of the Neighborhood Revitalization Strategy Areas on Public Service funding, it may be best to simply identify the priorities.

Threshold Criteria

Below, please find the twelve (12) threshold criteria recommended for implementation during the 2020-2021 CDBG/NOF proposal review process. The list is essentially identical to the threshold criteria adopted by Your Honorable Body the last three years.

1. Must meet HUD National Objective;
2. Group must attend the 2020-2021 CDBG/NOF workshop;
3. Proposal must be complete, typed and submitted by the deadline and on correct form;
4. Must have at least five (5) member board and meets at least bi-annually;
5. Must have 501(c)3 status prior to applying for proposal;
6. Must have at least one year of operation and proof of operations;
7. Must not have unresolved government audit and monitoring problems (i.e. tax, legal, etc);
8. Must submit most recent fiscal year cash flow statement, financial statement and if available, recent audit or 990 within the past two years;
9. Must read and sign conflict of interest form;
10. Must submit current Non-profit Corporation Information Update (Michigan Annual Non-Profit Report);
11. Must submit Certificate or Article of Incorporation;
12. Applicant's organization must provide proof of operating cash on hand (at least 7% of the request) (PS and HPS only).

Staff will be prepared to draft the necessary resolution(s) to adopt both the funding priorities and threshold criteria for the 2020-2021 CDBG/NOF process upon Council's direction. Staff would request Council to address this matter as soon as possible in order for the Priorities and Criteria to be published in the CDBG/NOF application/RFP, which HRD intends to release via BidSync on Friday, August 30, 2019.

Respectfully submitted,

Marcell R. Todd, Jr., Director

Attachments

cc: Donald Rencher, HRD
 Tamara Fontaine-Hardy, HRD
 Gordon Pearson, HRD
 Mike Duggan, Mayor

Detroit City Council's CDBG/NOF 2020-2021

Priority Survey

The Legislative Policy Division in conjunction with the Housing Revitalization Department are asking Your Honorable Body to identify community needs and priorities for the expenditure of federal funds to low/moderate income families, households and neighborhoods. The results will be used to set the program funding priorities which will be utilized by the administration for the 2020-2021 CDBG/NOF process. Please help us by ranking the following Public Service categories.

NOTE: Place the categories in priority order with the first being of highest importance to you. Please complete this survey and submit it to the LPD offices by FRIDAY JULY 19, 2019.

PUBLIC SERVICE CATEGORIES

SENIORS / ELDERLY

Which includes: Chore Services, Adult Day Care, Support service (Transportation, Food Services, Medical, etc.)

PUBLIC SAFETY

Which includes: Crime prevention programs, Community Policing, Human Trafficking

EDUCATION

Which includes: After school programs, Conflict Resolution, Programs, Counseling, Adult Education, Job readiness programs

HEALTH SERVICES

Which includes: Substance abuse treatment, Abused and neglected individuals, Mental health services, Services to the disabled/impaired, Dental care/ Health care services

RECREATION

Which includes: Sports, Cultural Enrichment (Dance, Music, Theatre, Art)

PLEASE INDICATE YOUR FUNDING CATEGORY PRIORITIES FOR PUBLIC SERVICE HERE:

1. _____

2. _____

3. _____

4. _____

5. _____

HOMELESS PUBLIC SERVICE ACTIVITIES

HOMELESS/EMERGENCY ACTIVITIES

- Emergency Shelter
- Domestic Violence Emergency Shelter
- Transitional housing
- Permanent housing
- Housing for disabled/chronic homeless
- Housing for homeless veterans
- Food banks/food programs
- Support Services (Utility shutoff prevention)

(Note: Since there are no sub-categories under Homeless Public Service please rank the Homeless Public Service activities in order of importance to you)

PLEASE INDICATE YOUR FUNDING CATEGORY PRIORITIES FOR HOMELESS PUBLIC SERVICE HERE:

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____



CITY OF DETROIT
HOUSING AND REVITALIZATION DEPARTMENT

JUL 03 2019

#2777

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July 3, 2019

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

RE: FY 2019-20 BUDGET AMENDMENT TO CDBG, ESG, HOME & HOPWA

Honorable City Council:

The Housing and Revitalization Department (HRD) hereby requests to amend the 2019-20 Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships (HOME) and Housing Opportunities for Persons With Aids (HOPWA) budget to reflect the actual allocations received from the U.S. Department of Housing and Urban Development (HUD).

The fiscal year 2019-20 budget for HUD's final allocations were received after the Departmental budgets were finalized. Therefore, the budgets in the four programs need to be adjusted to reflect HUD's final allocations. The Department is requesting that the revisions are approved to enable HRD to begin working with the actual allocations and community partners to facilitate the great work planned in the City of Detroit.

We respectfully request that your Honorable Body approve the attached resolution authorizing this amendment to the 2019-20 budget for the stated purpose.

Respectfully submitted,

Donald Rencher
Director

CITY CLERK 2019 JUL 5 PM12:54

Attachment

cc: S. Washington, Mayor's Office
Val Miller, HRD





BY COUNCIL MEMBER

WHEREAS, the Detroit City Council hereby approved Fiscal Year 2019-20 City's estimated Budgets for the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships (HOME) and Housing Opportunities for Persons With Aids (HOPWA); and

WHEREAS, the Mayor of the City of Detroit, Michael E. Duggan, is hereby authorized to amend the revised 2019-20 budget w/appropriation numbers for revenues and expenditures, including all understandings and assurances contained therein to the U.S. Department of Housing and Urban Development (HUD) in accordance with the foregoing communication; and

RESOLVED, that the Budget Director be and is hereby authorized to increase CDBG Appropriation #06102 HRD Letter of Credit revenues by \$1,728,387; and

RESOLVED, that the Budget Director be and is hereby authorized to increase CDBG Appropriation #13635 CDBG Demolition by \$1,728,387; and

RESOLVED, that the Budget Director be and is hereby authorized to increase ESG expenditures and revenues Appropriation #13340 by \$241,042; and

RESOLVED, that the Budget Director be and is hereby authorized to decrease HOME expenditures and revenues Appropriation #13171 HOME Admin by \$14,343; and

RESOLVED, that the Budget Director be and is hereby authorized to decrease HOME expenditures and revenues Appropriation #10821 HOME Projects by \$129,088; and

RESOLVED, that the Budget Director be and is hereby authorized to decrease HOPWA (Health Department) expenditures and revenues Appropriation #20596 by \$174,133; and

BE IT FINALLY RESOLVED, that the Finance Director be and is hereby authorized to accept and process all documents reflecting these changes.



CITY OF DETROIT
HOUSING AND REVITALIZATION DEPARTMENT

JUL 03 2019 #2776
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(21)

July 3, 2019

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

RE: Request to Amend the 2019-20 Blight Investment Funds/General Fund budget and Reprogramming Amendment to the Community Development Block Grant (CDBG) Annual Action Plan for Fiscal Year 2018-19

Honorable City Council:

The Housing and Revitalization Department (HRD) hereby request the authorization to amend the 2019-20 Blight Investment Fund/General Fund Budget and the Community Development Block Grant (CDBG) Annual Action Plan for FY 2018-19. The funds targeted for reprogramming consist of an exchange of funding with the Blight Investment Fund, General Fund Budget and the CDBG Economic Development Motor City Match. A summary of the proposed changes are as follows:

Line Items to be Reprogrammed (decrease):

• Blight Investment Fund Demolition	(FY 2019-20)	\$ 2,700,000
• CDBG Econ Dvlpt Motor City Match	(FY 2018-19)	\$ 1,000,000

Line Item for Funding Addition (increase):

• General Fund Econ Dvlpt Motor City Match	(FY 2019-20)	\$ 2,700,000
• CDBG Demolition Blight Removal	(FY 2018-19)	\$ 1,000,000

We respectfully request that your Honorable Body approve the attached resolution authorizing the reprogramming amendment for the stated purpose. This proposed reprogramming amendment was posted on the City's website and advertised in the Detroit News/Free Press. Upon City Council's approval, it will be transmitted to HUD.

We ask that the Council approve this with a Waiver of Reconsideration.

Respectfully submitted,

Donald Rencher
Director

CITY CLERK 2019 JUL 5 am12154

CITY CLERK 2018 JUL 5 am12154
Attachment

cc: S. Washington, Mayor's Office

APPROVED
BUDGET DIRECTOR
Date



BY: _____

WHEREAS, the Detroit City Council hereby approves amending the Housing and Revitalization Department 2019-20 General Fund Budget reflecting this amendment in accordance with the foregoing communication; and

WHEREAS, the Detroit City Council hereby approves amending the 2018-19 Annual Action Plan to reflect the reprogramming of Community Development Block Grant (CDBG) funds in accordance with the foregoing communication; and

WHEREAS, the Mayor of the City of Detroit, Michael E. Duggan, is hereby authorized to amend the 2018-19 Annual Action Plan, including all understandings and assurances contained therein to the U.S. Department of Housing and Urban Development (HUD), in accordance with the foregoing communication; and

RESOLVED, that the Budget Director be and is hereby authorized to Increase Appropriation #20618 – General Fund Economic Development Small Business Development Motor City Match by \$2,700,000.00; and

RESOLVED, that the Budget Director be and is hereby authorized to Increase Appropriation #13635 – CDBG Demolition Blight Removal by \$1,000,000.00; and

RESOLVED, that the Budget Director be and is hereby authorized to Decrease Appropriation #20253 – Blight Reinvestment Fund Demolition Blight Removal by \$2,700,000.00; and

RESOLVED, that the Budget Director be and is hereby authorized to Decrease Appropriation #13837 – CDBG Economic Development Small Business Development Motor City Match by \$1,000,000.00; and

BE IT FINALLY RESOLVED, that the Finance Director be and is hereby authorized to accept and process all documents reflecting these changes.